

DEPARTMENT OF HEALTH SERVICES

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TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Health Executives Association
All County Mental Health Directors

Letter No.:01-40

**CLARIFICATION AND QUESTIONS AND ANSWERS REGARDING CONTINUOUS
ELIGIBILITY FOR CHILDREN**

Ref: Medi-Cal Procedures Section 5H; ACWDL No.: 99-06 and 01-01; EMC 2
No.: 20080

The Continuous Eligibility for Children Program (CEC) was implemented January 1, 2001. The purpose of this All County Welfare Directors Letter (ACWDL) is to provide further clarification of this program and to provide answers to recent questions resulting from its implementation.

Federal law (Section 1902(e)(12) of the Social Security Act) permits states to implement a CEC period for certain children under an age specified by the state, but not to exceed 19 years of age. Federal CEC ends with the earlier of the time the individual exceeds the state-established age or the end of a period (not to exceed 12 months) following initial ongoing eligibility or the annual redetermination.

State legislation which mandates CEC implementation (Assembly Bill 2900, Chapter 945, Statutes of 2000) establishes CEC for children for up to a 12-month period which ends with the earlier of the date of the next eligibility determination period or the child's 19th birthday.

Note: Other federal and state laws preclude Medi-Cal coverage for anyone who has died, is incarcerated, or does not reside in California. Therefore, a child's CEC period ends if that child turns age 19, dies, is incarcerated, or moves out of state. For purposes of this letter, we assume that none of these circumstances has occurred so that the full 12-month CEC period is applicable.

Based on many questions received from the counties, this ACWDL further clarifies policies from what was provided in ACWDL 01-01.

THE 12 MONTH CEC PERIOD

The twelve-month CEC period runs from the first month of initial ongoing eligibility or the first month impacted by an annual redetermination and ends 12 months later. Please see questions 5 and 6 which address the impact of 3-month retroactive eligibility on CEC. For an annual redetermination, most counties conduct that determination in a month in which there already is Medi-Cal coverage. If that is the situation, the month impacted by that annual redetermination is the month following the month in which the annual was conducted. For example, if an annual redetermination is conducted in April and impacts May, the CEC period runs from May to the end of the next April.

CEC Guaranteed Period:

CEC, however, can only be triggered following a change from no share of cost Medi-Cal to either a share of cost or to ineligibility for a reason other than attainment of age 19, death, incarceration or loss of California residence. The months from the time of the no share of cost determination until the next annual redetermination is referred to as the CEC guaranteed period.

This no-share-of-cost determination is not limited to determinations at initial eligibility or at annual redeterminations but it can start no earlier than the first month impacted by an initial eligibility determination or an annual redetermination. For example, assume an annual redetermination is conducted in April and results in a share of cost in May. If the family reports a decrease in income in July and becomes eligible for Section 1931(b) then, the guaranteed CEC period runs from July through April.

During the CEC guaranteed period, any change in family income, assets, or other circumstances that results in a change from no SOC to a SOC or from eligibility to ineligibility (except for attainment of age 19, death, incarceration, or moving out of state) is disregarded for the child but not the adult family members. It guarantees that the child (under 19 years of age) will receive zero SOC Medi-Cal for the remainder of the 12-month CEC eligibility period.

For example, assume a child was not eligible for zero share of cost Medi-Cal as a result of an initial determination or an annual redetermination. If the county conducts an eligibility determination before the next annual redetermination and that determination results in the child's eligibility for a zero share of cost Medi-Cal program, the child will remain eligible for zero share of cost under CEC until the next regularly scheduled annual redetermination. (See Questions 6 & 7.)

QUESTIONS AND ANSWERS

Question 1: Are there any programs which result in a child being determined eligible for zero share of cost Medi-Cal but which do not trigger a CEC period?

Answer: Yes. *CEC is a "continuous eligibility" program. It may not follow another continuous eligibility program such as Transitional Medi-Cal or Continued Eligibility (Deemed Eligibility) for Infants.*

Question 2: What constitutes the CEC guaranteed period?

Answer: *The CEC guaranteed period always starts from the month impacted by a positive determination of eligibility. A positive determination means the child is determined eligible for any one of the categories of no-SOC Medi-Cal, including cash-based categories.*

During the CEC guaranteed period, if anything would cause the child to have a SOC, the child is put in CEC and continues to receive zero share of cost Medi-Cal for the remaining months of this period.

For example, a family has its annual redetermination conducted in mid-December and is in Section 1931(b) starting in January that begins the 12-month CEC period. CEC ends in December. The family reports an increase in income in July that applies to August and the family would have a SOC. At this point, the child goes into CEC from August through December.

Question 3: How does the CEC period differ from the CEC guaranteed period?

Answer. The CEC period is always twelve months. It begins with the later of the initial eligibility determination or the first month impacted by an annual redetermination and ends with the last month covered by that determination. The CEC guaranteed period is within the CEC period but must begin with a no share of cost month. If the initial eligibility determination or the annual redetermination results in coverage for no-cost Medi-Cal, the CEC period and the CEC guaranteed period start at the same time. The CEC period and the CEC guaranteed period always end at the time of the following annual redetermination.

Question 4: What aid code should counties use for CEC?

Answer: Counties may either keep the CEC-eligible child in the same no-SOC aid code or place him or her in the appropriate CEC aid code 7J or 7K. Only 7J is applicable for Managed Care.

Question 5:

- a. Does CEC apply to retroactive months? For example, a family applies for Medi-Cal in March 2001, and applies for retroactive benefits for January 2001 and February 2001. They have a zero SOC for January 2001 and a SOC for February 2001 and March 2001. Does CEC begin in January 2001 so that we can apply CEC to the children for February 2001 and March 2001?

Answer: Yes. Beneficiaries are entitled to request and be evaluated for retroactive eligibility for any or all months within the three-month retroactive period pursuant to Sections 50148 and 50197 of Title 22 of the California Code of Regulations. Since an eligibility determination is completed for each retroactive month, CEC can begin in that zero SOC retro month. In this example, the CEC period begins January and runs until December 2001. Unless there is another CEC period affecting December, in December, the county is to use the information in the case to determine whether the child has a SOC or not beginning in January 2002. Please be aware that consideration for retroactive eligibility must be upon request from the client or listed on an application such as the MC 210 indicating medical expenses during the retroactive period.

- b. A request for retroactive coverage can be made within one year of the month for which retroactive coverage is requested. A determination of a child's eligibility in a retroactive month for zero share of cost Medi-Cal begins a 12-month CEC period. How does a retroactive CEC determination made subsequent to the month of application impact eligibility that was already established for the intervening months between that retroactive month and the month in which the request for retroactive coverage was made?

Answer: A late retroactive request and subsequent CEC eligibility does not change the eligibility already determined in the intervening months. If a child is determined eligible for CEC, CEC is applicable for the months remaining in the 12-month CEC period beginning the month after the month in which the family requests retroactive CEC benefits.

For example, assume a family with one child applies in March and has a share of cost from March to July. In late July, the family requests retroactive coverage for February. The county determines they have no share of cost in February, so that the child has a 12-month CEC period from February to the next January. The child's CEC is applicable, beginning in August.

- c. In the above example, would CEC continue until the annual redetermination which would be March 2002?

Answer: As indicated above, CEC only runs 12 months – through January. The annual redetermination is not changed by CEC and is conducted in March 2002.

Question 6: If CEC is based on a no share of cost month in the three month retroactive period prior to the month of application, that CEC guaranteed period will end before the annual redetermination which is 12 months from the date of the application. How are the months handled between the end of that CEC episode and the annual redetermination?

Answer: a. Assume there is eligibility for a no share of cost program in the month of application. In this situation, the CEC guaranteed period extends to the annual redetermination. This means that when the “retroactive” CEC guaranteed period ends, the guaranteed CEC period based on the month of application still in effect. The child will have been covered by CEC from the applicable retroactive month to the annual redetermination.

For example, assume a child applies in June and is found eligible for the 133 Percent program. He also applies for retroactive coverage for May at the same time and is eligible for the Income Disregard program. He is covered by a CEC guaranteed period based on his retroactive no share of cost eligibility from May to April. He is also covered under a CEC guaranteed period that runs from June to May, based on his initial no share of cost eligibility in June. This child’s CEC runs continuously from May until the following June.

- c. Assume there is only eligibility for a share of cost in the month of application, but there is eligibility for a no share of cost program in a retroactive month. The guaranteed CEC period based on the retroactive no share of cost determination runs 12 months. If the family reports a decrease in income for any month prior to the annual redetermination that results in the child’s eligibility for a no share of cost program, then the guaranteed CEC period based on that report is triggered and lasts until the annual redetermination. This would mean that the child will then have CEC until the annual redetermination, even if the retroactive CEC period has ended.
1. For example, assume a child applies in June and has a share of cost. He also applies at the same time for retroactive coverage for May and is found eligible for the

100 Percent program. Assume in March income drops and there is Section 1931(b) eligibility in March.

	May	June (app)	July	March	April	May	June (annual)
CEC based on retro: no SOC eligibility in May	X	X	X	X	X	STOPS	
CEC based on ongoing with a report of decreased income in March that results in no SOC		CEC Ineligible	CEC Ineligible	X	X	X	STOPS

This child has CEC from May through the following May based on two different CEC guaranteed periods.

- For example, assume a child applies in June and has a share of cost. He also applies at the same time for retroactive coverage for March and is found eligible for the 100 Percent program. Assume income decreases in April and there is Section 1931(b) eligibility in April.

	Mar	April	May	Jun (app)	Jul	Feb	March	April	May	June annual
CEC based on retro: no SOC eligibility in March	X	X	X	X	X	X	Stops			
CEC based on ongoing, with a report of decreased income in April that results in no SOC				CEC inelig	CEC Inelig	CEC inelig	CEC inelig	X	X	Stops

Question 7: A family is just ending their first year of TMC and an annual redetermination is conducted in the twelfth month of TMC. The prior annual redetermination occurred before TMC began. The parents are eligible for second year TMC. Would the children be eligible for the CEC program?

Answer: No. CEC does not automatically follow zero share of cost TMC since TMC is viewed as another continuous eligibility program. *In this example, the children's CEC period would have ended some time during the TMC period. The children would not be eligible for CEC as they are finished with their CEC period.*

Question 8: Based on the last annual redetermination conducted in January 2001, a family was in the Medically Needy program with a SOC as of February. The family became eligible for Section 1931(b) in June 2001. In September, the family reports an income increase and moves back to MN SOC for October 2001. At this point, does the child remain eligible for CEC?

Answer: Yes. The child will receive CEC for the remaining months of October through January.

Question 9:

- a. Is it correct to assume that if a SOC increase is determined at the annual redetermination following the end of a CEC period, then CEC does not apply?

Answer a. YES. This is correct; CEC does not apply.

- b. If that is the case, then we would evaluate for Bridging and not CEC.

Answer b. YES.

Question 10: Are there going to be any special Notice of Actions (NOAs) with wording provided by CDHS regarding CEC?

Answer: The NOAs are in development and will be forwarded after completion. We have provided suggested language in this letter to be used in the interim.

Question 11: CEC implementation began January 2001. If a child has a no-SOC in December 2000 and is determined to have a SOC in January, then does CEC apply to him/her?

Answer: No. They must have an eligibility determination resulting in no-SOC on or after the January 1, 2001 implementation. The CEC period would then only last until the next annual redetermination.

Question 12: If the client requests discontinuance of his or her and his or her children's Medi-Cal, do we still continue the children's benefits based on CEC?

Answer: No. Parents have the right to ask that Medi-Cal for themselves or their children be discontinued.

Question 13: Do we still continue the children's benefits based on CEC if the whereabouts of the household is unknown?

Answer: No.

Question 14: Would a child who is in the Bridging Program for January be able to go to CEC effective February based on January's Bridging eligibility?

Answer: No. The bridging month does not qualify as the CEC window month. The child is either eligible for Healthy Families or may be eligible for another Medi-Cal program.

Question 15: What if the child were on Bridging for December, would they also qualify for CEC effective January?

Answer: No. The child would not be eligible.

Question 16: A family had its annual redetermination in mid December, impacting January and was determined eligible for the no SOC Section 1931(b) program. The family reports an income increase in April. Based on that report, in May, the family is ineligible for Section 1931, but is eligible for the MN SOC program. The child receives CEC for May, June and July. In August, the family is eligible again to Section 1931. However, in November an income increase moves the family back to MN SOC. At this point, when does the child's CEC end?

Answer: The child will receive CEC for November and December and then CEC ends. The original CEC period of January through December remains despite the movement from zero share of cost to SOC programs.

Question 17: How should the counties handle intercounty transfers of cases when children are in a twelve month protected CEC period?

Answer: These cases should be treated the same way current intercounty transfers are currently handled. Counties should review the information contained in the case file and the SOC would depend on this and any new information. The sending county must ensure that the children's no SOC Medi-Cal continues during the CEC period and cannot discontinue the child's no SOC until the receiving county has placed the child in no SOC Medi-Cal in its county.

Question 18: A child is born in December, and is added to the case. In March, the family is determined to have a SOC. Do we put the child in CEC?

Answer: No, those newborns living with their mother, who are eligible for the Continuing Eligibility (CE) program (for infants) do not get CEC. The child would remain eligible for the CE program for one year.

Infants up to age one who are not eligible for CE (for infants) because they were not born to Medi-Cal eligible mothers or whose CE ends (e.g., the mother moves away from the baby) are eligible for up to 12 months from the date of their initial no-cost eligibility determination.

Question 19: Does CEC apply to children who are under age 19 who are discontinued from Foster Care?

Answer: YES. Children under age 19 who are discontinued from Foster Care are eligible for CEC if they are not eligible for any no SOC Medi-Cal program, such as the Former Foster Care Children (aid code 4M) program. The Former Foster Care Children program is specifically for these youth 18 to 21 years who were in a Foster Care program on their 18th birthday. CEC always ends when a child turns age 19.

(Please note: if whereabouts are unknown and the child moves to aid code 38, and subsequently, whereabouts become known, counties should place this child back into CEC for the remaining period until the next redetermination.)

Question 20: Should beneficiaries be required to report information to the county department that may affect the determination of eligibility within ten calendar days following the date the change occurred (for example, change of property or income, or change in family composition)?

Answer: Yes, even though the county may not use it to adversely affect the child's eligibility during the CEC period.

Question 21: Are CEC children considered ineligibles on other cases?

Answer: No. The child should remain an eligible member of the MFBU.

Question 22: Does CEC apply when a child leaves the home?

Answer: Continue the child in his or her new home (as long as it is in California), regardless of family income if the child is still in his/her CEC period.

Question 23: Does CEC provide linkage to parents for Section 1931(b)?

Answer: Yes. CEC continues no-SOC eligibility for the child. There must be at least one deprived child eligible for a Medi-Cal program with a zero SOC i.e., PA, CE, CEC, for a parent to be linked to the Section 1931(b) program.

Question 24: How does CEC impact the Transitional Medi-Cal (TMC) program and when does CEC start?

Answer: *It's important to note first that the guaranteed CEC period can only begin with a positive eligibility determination (i.e., eligibility for a no share-of-cost Medi-Cal program). The CEC guaranteed period begins first month impacted by a that positive eligibility determination. A determination of ineligibility for Section 1931(b) and eligibility for TMC is NOT a positive determination: TMC is a form of continuous Medi-Cal, much as CEC is. It ends twelve months later.*

For those on CalWORKS, CEC begins with the first month of initial eligibility or the first month impacted by an annual redetermination of eligibility, whichever is later. When a family begins TMC after being terminated from California Work Opportunity and Responsibility to Kids (CalWORKs) program because they are no longer eligible for Section 1931(b), CEC will end twelve months from that initial determination or annual redetermination.

When a family begins TMC after Section 1931(b)-only, the last positive eligibility determination generally is the last annual redetermination which established or continued Section 1931(b)-only eligibility. The CEC window then begins with the first month impacted by the most recent positive eligibility determination and continues for twelve months.

If a family loses Section 1931(b) eligibility due to increased earnings of the principal wage earner, but the whole family continues to be eligible under the TMC program, the county should move the child to TMC along with the rest of the family. If this child would then become ineligible for TMC at any point, the child would be evaluated to determine whether he/she is still in a CEC period and if so, is either kept in the TMC aid code or

*put into the correct CEC aid code until CEC ends. **Please Note: For tracking purposes, we do recommend that if the child is the only person left in TMC, you move the child from the TMC aid code to the appropriate CEC aid code in order to complete the child's CEC period.***

Unless the annual redetermination is due, the county can use the information in the file unless the county has reason to believe that is inaccurate. If the child would have a SOC but appears to be eligible for the Healthy Families (HF) program, the Bridging program would be appropriate. If the child does not appear eligible for HF and is otherwise eligible but is over the maintenance need level for the Medically Needy (MN) or Medically Indigent (MI) program, putting him or her in that MN/MI program with a SOC would be appropriate.

NOTICE OF ACTION LANGUAGE:

Counties may use the following suggested language for NOAs under the CEC program:

Continuing Eligibility Program Approval

Your child is eligible to receive benefits under the Continuing Eligibility for Children Program for the month(s) of _____.

Continuing Eligibility Program Discontinuance

Your child is not eligible for the Continuing Eligibility for Children Program because _____.

If you have questions regarding this letter or the implementation of the Continuing Eligibility for Children program, please contact Sharon Garcia of my staff at (916) 657-3185.

Sincerely,

ORIGINAL SIGNED BY

Shar Schroepfer, Chief
Medi-Cal Eligibility Branch